

CIA INTERNAL USE ONLY

Ans
State
Defense
Navy
NSA
AID
USA
18 April 1966

MEMORANDUM FOR: Deputy Director of Research and Reports

SUBJECT: Future Program for the EIC Subcommittee on Petroleum

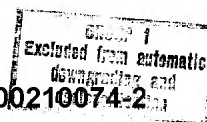
1. I still have not arrived at a position on this subject which I think CIA should push. I'm inclined to my earlier position that the PSC should be abolished. I am influenced, however, by your argument that of all subcommittees, abolishment of the PSC would seem the least appropriate. I am influenced also by a recent conversation with Herb Glantz (State/INR) who acknowledged that the PSC and the associations derived therefrom have been genuinely helpful to him in his mission.

2. If the consensus of the EIC members is to keep the PSC going, I would recommend a retreat position to continue the PSC conditioned on the following:

a. New terms of reference to permit the PSC to function principally as a clearing house for the periodic review of politico-economic intelligence developments in the field of petroleum. Although the terms of reference should be as loose and unrestrictive as possible, they might imply a responsibility or function to provide, on an ad hoc or "as requested" basis, a rounded opinion or "estimate of the situation" involving petroleum problems or developments in the world. (Of the type Rhodesia, South Africa, Bombing POL Depots in North Vietnam, China's ability to mount an offensive, etc.)

b. Principals review their representation to insure that members of the PSC are persons who are associated with the substance of world-wide petroleum developments. I would agree that the appropriate agencies concerned with some phase of petroleum are now represented on the PSC. There is some doubt, however, that the agencies have appropriate representatives. Interior, e.g., should be represented by someone concerned with international and supra-national developments involving oil rather than with "Domestic Programming". Similarly, State might consider additional representation to include also its Office of Fuels and Energy in the Bureau of

~~SECRET~~
CIA INTERNAL USE ONLY

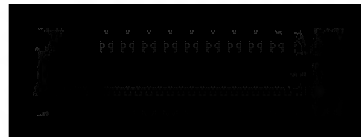


~~SECRET~~
CIA INTERNAL USE ONLY

Economic Affairs (formerly headed by Ensor). Ted Sweet from AID probably is too remote from the day-to-day problems of petroleum, if, in fact, AID is concerned at all. DOD representation could stand some review: Air Force is not represented; Army is represented by someone from the Scientific and Technical Division.

c. The PSC should have a new chairman. However, don't ask me to lead a movement to unseat [REDACTED] would be wholly acceptable to me as chairman. He voted to continue the PSC and, moreover, he arranges the meeting room. 25X1A9a

d. Suggest a secretary for the PSC be made available from the EIC/S pool.



25X1A9a

~~SECRET~~
CIA INTERNAL USE ONLY